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Bill to regulate sweepstakes promotions passed by Senate

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LANSING – Legislation protecting senior citizens from aggressive marketing by sweepstakes firms peddling magazines and other gifts using deceptive sales practices passed the Senate Tuesday, said Sen. Valde Garcia, R-Howell.

Senate Bill 1114 would create the Prize and Sweepstakes Act. It would establish prohibited acts with regard to sweepstakes and sales presentations that offer money or gifts for attending. The bill also establishes civil penalties between \$100 and \$5,000 per violation and establishes a misdemeanor of up to one year in jail and a \$10,000 fine for each intentional violation.

"Too many of our seniors have been victimized by sweepstakes scams," Garcia said. "This legislation will help prevent criminals from using deceptive practices to take advantage of unsuspecting consumers."

SB 1114 would specifically require sweepstakes solicitors to:

- provide official rules to each individual solicited;
- not require payment or any other consideration to be eligible for a prize;
- not represent that a person is a winner or has already won unless they have;
- provide a clear and conspicuous statement that no purchase is necessary to enter;
 and
- not represent that an entry accompanied by an order is eligible for more prizes.

The legislation does not apply to horse racing, lottery, bingo or other charitable solicitations.